



Public Educational Tour
July 30-August 2, 2012

Agenda

- **Introductions**
- **KanCare – State presentation**
- **MCO – presentations**
 - **Amerigroup: Andrea Allen, Marsha Swader, Doris Gracia, Adrienne Adams-Brancato and Tiesha William**
 - **Sunflower: Bryan Swan, Brad Morrow, Kent Cerneka**
 - **United Health Care: Christine Jones, Nanette Kartsonis**
- **Questions**

KanCare Overview

Governor Brownback came into office facing:

- \$200 million funding deficit for Kansas Medicaid
- Rising trend of increasing enrollments and costs
 - Baby boomers
 - Medicaid is countercyclical
- Low emphasis on patient outcomes
 - Fee-for-service models, volume over outcomes
- Fragmentation/Little Accountability
 - No uniform benchmark for providers and programs to measure outcome performance
 - Widespread spending; across service types, state agencies, funding streams and providers

Medicaid Populations and Key Concerns

MEDICAID POPULATION FOCUS	KEY CONCERNS
Children, Families, and Pregnant Women Enrolled: 210,000 (SFY 2010)	Mobile populations: move in and out of eligibility
Aged Enrolled: 36,000 (SFY 2010)	Higher-than-average proportion of Kansas seniors in nursing homes
Disabled Enrolled: 57,000 (SFY 2010)	Fragmented service provision

Stakeholder Outreach & Involvement

Following Governor Brownback's January 2011 announcement to reform Kansas Medicaid, the state solicited ideas for:

- Reform
- Pilots to curb growth
- Achieve long-term reform
- Improve the quality of Medicaid services

Feedback:

- 60+ submissions with more than 100 proposals submitted in February 2011
- 200 additional responses generated via web survey
- 1,450 participants and more than 1,600 individual ideas generated from four public forums last summer

Stakeholder Themes

Integrated, whole-person care

Create/Improve paths to independence

Alternative access models

Enhance community-based services

State of Kansas Goals

Improve health outcomes

Bend the cost curve down over time

No eligibility cuts or provider cuts

Address stakeholder key themes

Implementing the Solution:



Major changes to Kansas Medicaid



**Person-Centered
Care Coordination**



**Clearer
Accountability**



Improved Outcomes



**Financing
Consolidation**



Person-Centered Care Coordination

- No reduction in current levels of Medicaid services and reimbursements
- New services will include:
 - Heart and lung transplants for adults
 - Weight-loss surgery
 - Valued-added services
- Health homes
- Options counseling
- Safeguards for provider reimbursement and quality



Clearer Accountability

- Firm protections with a strong emphasis on data and outcomes
- Each contractor is required to:
 - Maintain a Health Information System (HIS)
 - Report data to State of Kansas and Centers for Medicare and Medical Services (CMS)
 - Submit to an External Quality Review (EQR)
- Performance benchmarks
- KanCare Advisory Council



Improved Outcomes

One of the main focuses of the contracts with managed care companies.

- Lessening reliance on institutional care
- Decreasing re-hospitalizations
- Managing chronic conditions
- Improving access to health services



Financing Consolidation

- **Move the entirety of Medicaid into a capitated risk-based managed care system.**
 - **Coordinate each individual's care along providers**
 - **Decrease repeated hospitalizations**
 - **Better manage chronic conditions**
 - **Lessen reliance on institutional settings**
- **KanCare contractors will be rewarded for paying for preventative care that keeps people healthy**

1115 Waiver

- Move all Medicaid populations into managed care (mandatory enrollment)
- Cover all Medicaid services through managed care, including long-term services and supports
- Establish safety net care pools for hospitals

1115 Waiver

- Pre-enroll members in a managed care plan
 - To encourage continuity of care, the choice period for members to change their assigned plan will be 45 days.

Home & Community Based Services

- Kansas currently has a high percentage of seniors living in nursing homes. Kansas also has the fourth highest utilization per capita of the physically disabled and frail elderly waivers.
- KanCare includes long-range goal of aiding the transition away from institutional care and toward services that can be provided in individuals' homes and communities.
- KanCare contractors (MCOs) will take on the risk and responsibility for ensuring that individuals are receiving services in the most appropriate setting.
- Outcome measures will include lessening reliance on institutional care.

Consumer Voice

- Because these reforms were driven by Kansans, the Administration has formed an advisory group of advocates, providers, and other interested Kansans to offer ongoing counsel on the implementation of KanCare.
- Additionally, managed care organizations will be required to:
 - Create member advisory committee to receive regular feedback
 - Include stakeholders on the required Quality Assessment and Performance Improvement Committee,
 - Have member advocates to assist other members who have complaints or grievances.

Health Outcomes

- **KanCare provides the first-ever set of comprehensive goals and targeted results in Kansas Medicaid. The new standards exceed federal requirements and set Kansas on a path to historic improvement and efficiency.**
 - KanCare clearly provides performance expectations and penalties if expectations are not met.
 - The State will require KanCare companies to create health homes.

Pay for Performance: (P4P)

- **The State will withhold three to five % of the total payments MCOs until certain quality thresholds are met.**
 - Quality thresholds will increase each year to encourage continuous quality improvement.
- **There will be six operational outcome measures in the first contract year, and 15 quality of care measures in Years two and three.**
- **The measures chosen for the P4P program will allow the State to place new emphasis on key areas:**
 - Life expectancy for persons with disabilities
 - Employment rates for people with disabilities
 - Person-centered care in nursing facilities
 - Resources to community-based care and services

Timely Claims Payment

- The State has included stringent prompt payment requirements among its Year 1 pay for performance measures for managed care organizations.
- Includes a benchmark to process 100% of all clean claims within 20 days
- For nursing facilities, require processing of 90% of clean claims within 14 days

Timely Claims Payment

- While a large portion of Kansas Medicaid and CHIP are already provided through managed care, there are large groups of providers accustomed to fee-for-service Medicaid only.
- To ease the transition, the State has proposed all providers be allowed to use a single claims interface to submit claims to KanCare MCOs.

Pharmacy

- **KanCare MCOs and their PBMs:**
 - **Amerigroup: CVS/Caremark**
 - **Sunflower: U.S. Script**
 - **United: OptumRX**

Pharmacy

- The state will have one PDL that all MCOs are required to follow
- MCOs are required to have autoPA to minimize provider paperwork/phone calls
- Mail Order and Specialty pharmacy options may be offered to beneficiaries, but are not allowed to be made mandatory

Pharmacy

- The state will have a centralized Pharmacy provider website that will serve as a hub for links to each MCOs information/forms/etc.
- Pharmacy providers will have the opportunity to provide Medication Therapy Management services to Medicaid beneficiaries

Pharmacy

- MCOs have agreed to the state's dispensing fee of \$3.40 per claim
- MCOs have also agreed to language regarding MAC pricing that requires a grievance process to providers, timely updating of MAC prices, and an annual disclosure of MAC methodology and sources

Strategic Realignment

- **To better coordinate services in the updated landscape of KanCare, the state's health and human services agencies have been realigned:**
 - Kansas Department on Aging (KDOA) is now Kansas Department for Aging and Disability Services (KDADS), including Medicaid programs previously under the Department of Social and Rehabilitation Services (SRS).
 - Kansas Department of Health and Environment (KDHE) is responsible for financial management and contract oversight.
 - SRS is now the Kansas Department for Children and Families (KDCF).
- **This realignment decreases the number of agencies dealing with Medicaid, thus increasing administrative coordination and streamlining Kansans' interaction with state government.**

Questions?

Additional Information

- Submit comments:
 - Email KanCare@kdheks.gov
 - Mail: ATTN: Rita Haverkamp,
KDHE-DHCF, 900 SW Jackson, Room 900, Topeka, KS
66612
- For information on KanCare and the proposed 1115 Demonstration project, go to the [KDHE website](#) or [KDADS website](#)